

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN**

In re:

Case No. 17-12664-CJF
Chapter 11

**MISSISSIPPI VALLEY
BROADCASTERS, LLC,**

Debtor.

In re:

Case No. 17-12664-CJF
Chapter 11

WHITE EAGLE BROADCASTING, INC.,

Debtor.

In re:

Case No. 17-12664-CJF
Chapter 11

TCOM, INC.,

Debtor.

**DECLARATION OF PATRICK SMITH
IN SUPPORT OF MOTIONS TO USE CASH COLLATERAL,
PAY WAGES, AND FOR JOINT ADMINISTRATION**

I, Patrick H. Smith, state the following under penalty of perjury:

1. I am the managing partner of Mississippi Valley Broadcasters, LLC (“MVB”) and the president of White Eagle Broadcasting, Inc. (“White Eagle”). I have been involved in the operation of MVB and White Eagle for more than twenty years.

2. I own 18.8% of MVB, which is in turn the 100% owner of White Eagle. The other 81.2% of MVB is owned by TCOM, Inc. (“TCOM”) It is my

understanding that TCOM has no other assets besides its ownership interest in MVB.

3. On July 27, 2017, the Debtors filed a voluntary petition under the bankruptcy code.

4. I submit this declaration in support of the first day motions filed in this case.

5. The Debtors collectively own and operate five (5) radio stations in the La Crosse, Wisconsin market. Their primary source of revenue is the sale of on-air advertising.

6. The Debtors' primary lender is Coulee Bank, which holds a first lien on all of the Debtors' assets and is owed approximately \$1.7 million. The prepetition bank accounts for MVB and White Eagle are held at Coulee Bank, and it holds a security interest in those deposit accounts.

7. The Debtors have been unable to comply with a loan covenant requiring them to maintain certain minimum deposits with the Bank. The Debtors were also precluded under the loan agreement with the Bank from making any payments on an obligation to the Lucille S. Bill Trust (or the Howard Bill Estate), the former co-owner of the Debtors, which led to a judgment in the approximate amount of \$1.1 million against MVB and TCOM, as well as Patrick Smith, the managing member of MVB.

8. Given the prospect of default under the loan agreement as a result of failing to maintain minimum deposits, the Debtors filed these cases to restructure its debts through a plan.

9. MVB is the primary operating entity. It operates four radio stations and has twenty-six (26) full and part-time employees. White Eagle operates only one station and has only one employee (myself) who is paid pursuant to a management agreement with MVB.

10. The employees perform a variety of critical functions, including technical and programming support, advertising sales, and on-air performances. The employees' skills, knowledge, and understanding are crucial for the effective reorganization of the Debtors' affairs.

11. The Debtors will suffer immediate and irreparable harm if they are not authorized to use cash collateral and pay the pre-petition claims identified in the declaration.

12. None of the wage-related claims to be paid pursuant to the first day motions will receive payment of more than \$12 12,850.00. Attached are a list of prepetition payroll expenses and other wage-related charges to be paid.

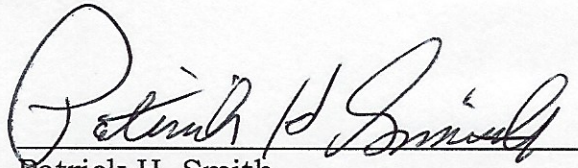
13. Based upon current revenue projections, the Debtors are able to pay ongoing payables as they come due, and the Debtors will be able to generate receivables as a result of ongoing operations.

14. If the employee wage-related claims are not paid, the debtor will suffer disruption and a loss of morale among employees. Given that employee performance is a fundamental aspect of the Debtors' business operation, this will adversely affect the ability to reorganize.

15. The assets of MVB and White Eagle secure the obligations to Coulee Bank. The membership interests owned by TCOM have also been

pledged to the bank, as have my personal membership interests in MVB. As such, Coulee Bank has a first lien on all assets. The primary unsecured creditor, the Lucille Bill Trust, is owed approximately \$1.1 million and has a judgment against both MVB and TCOM. I do not believe that any creditors would be adversely impacted by the joint administration of these cases.

Dated this 28th day of July, 2017.


Patrick H. Smith

ATTACHMENT TO DECLARATION

Mississippi Valley Broadcasters, LLC payroll for July 16-31:	\$36,481.79
White Eagle Broadcasting, Inc. payroll for July 16-31:	\$4,441.12
TOTAL:	\$40,922.91